HERMANB 04-01 PATENT

#### **EVENT CONTEST METHOD**

## Related Application Data

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The present application is a divisional application of U.S. Patent Application Serial No. 09/804,716, filed March 12, 2001 and entitled "Event Contest Method," issued February 10, 2004 as U.S. Patent No. 6,688,978 which, in turn, claimed the priority of U.S. Provisional Application Serial No. 60/189,415 entitled "Event Wagering Method" filed March 15, 2000 by Applicant herein.

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#### Field of the Invention

The present invention relates to event contest methods. Specifically, the present invention is a method for conducting a contest, the outcome of which is determined by an event or set of events, such as sporting events, where a participant selects a subset of competitors and contest winners are decided by the aggregate performance of the competitors within the participant's subset.

Background of the Invention

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There are various techniques and games known in the prior art for individuals to wager on sporting events. For example, it is known to provide what are commonly referred to as "rotisserie baseball leagues" or "fantasy leagues" as described in Pearson, U.S. Patent No. 5,971,854. In such leagues, the participants of the games select or draft the names of professional players to be on their fantasy team. During the course of the sporting season, points are awarded to each participant based on certain tracked statistics for the players selected to the participant's team. For example, in a fantasy

baseball league, statistics such as runs batted in, batting average, earned run average, strike outs and the like for each player may be tracked and used during the season to award points to the participants' fantasy teams. The participant having the team with the greatest aggregate statistics wins the contest and, in certain embodiments, is awarded a prize. These fantasy leagues have been played many sports such as football, hockey, basketball, and the like.

Such fantasy leagues, however, do not feature wagering upon the actual outcome of one or more actual sporting events. That is, in a fantasy league, a participant selects the best players for his or her fantasy team without regard to any player's team record because the player's team record is irrelevant to the participant's score. If a participant wishes to wager on the outcome of a particular sporting event, a participant must play a different game or contest.

To accommodate those wishing to wager on the outcome of a sporting event, it is known in the art for a host or casino to book futures or proposition wagers related to specified outcomes concerning certain sporting events. For purely entertainment purposes or in certain jurisdictions which permit sports wagering, it is known to provide future proposition wagers for sporting events. These include wagers on the eventual winner, the final score, or any specific statistic. As an example, a casino sports book may provide a listing of future proposition wagers and posted odds for each participating golfer in a golf tournament. A participant wishing to wager on the tournament would place a wager and select a specific golfer that the participant believes will win. Typically in exchange for the wager, the participant will receive a ticket or stub indicating that the wager has been made. If the golfer wins, the participant claims his reward by presenting the ticket stub. The participant is paid at the posted odds.

Another form of this common wager available at casino sports books, for example, is a wager on the outcome of a particular game. To maintain parity on both sides of the wager, that is, to insure that gamblers are more or less equally divided between two competing teams, casinos utilize mechanisms such as a point spread or odds. The point spread is a number calculated by the casino to be the winning margin. For example, if a gambler wagers on a game in which Team A is favored by five points, five points is the point spread. For the gambler to win the wager, Team A must not only win, but must additionally win by more than five points. If Team A loses or wins by five or fewer points, the gambler loses the wager.

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With respect to the examples discussed above, there are several aspects of the wager according to the prior art which increase the gambler's risk. First and foremost is that sport books treat each game or tournament as a separate event. In other words, unless the participant plays parlay cards, as described hereinafter, wagers on different games are resolved separately. For example, a participant that wagers on five football games must select five winners to win all five wagers.

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To alleviate this problem somewhat, parlay cards have been created to reduce the participant's risk. In a parlay card, a participant selects the winners for a predetermined number of games. For example, in a ten game parlay, a participant selects the winners in ten different games. If the participant correctly selects a predetermined number of winners, the player is rewarded. In the example above, ten correct out of ten selections may entitle a participant to a first prize, nine correct out of ten selections may entitle a participant to a second prize, and so forth.

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One drawback of parlay cards is that parlay cards still utilize point spreads.

Thus, as stated above, it is not enough to project the winner, but a participant must also

project whether the winner will beat the point spread. The point spread is often a source of frustration for sports bettors for the very reason that a participant may correctly select the winning team but the winning team may not beat the point spread, resulting in a loss of the wager. Thus, it is often disadvantageous for a participant to select a "sure thing" because the point spread associated with that game or event is calculated by the sports book to be sizeable to attract wagers on both sides. Even in sports not utilizing a point spread, such as golf tournaments or horse racing, odds are used to encourage gamblers to allocate wagers among several different possible winners. These limitations and drawbacks exists for many sports or events such as horse racing, e.g. future propositions as to the horse which will win, place or show at the Kentucky Derby, team sports such as hockey, soccer, baseball and basketball, basketball tournaments such as the National Collegiate Athletic Association ("NCAA") basketball tournament, golf tournaments, Olympic events and other events where a favorite must overcome a point spread or poor odds to result in a winning wager.

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Therefore, it can be seen that there is a need in the art for an event contest system the outcome of which is determined by the outcome of an event in which participants are encouraged to allocate their selections among several different possible outcomes without resort to point spreads or odds.

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### Summary of the Invention

The contest of the present invention includes a participant selecting, from a finite pool of competitors, a subset consisting of a predetermined number of competitors. As examples, each participant may select five golfers from the entrants in a golf tournament or five football teams that the participant expects to win from a pool

of twenty football games, that is, forty football teams. In an embodiment including head to head competition, a participant may be excluded from selecting competitors competing head to head. Thus, in the example above, participants wagering on golf could select any five golfers from the finite pool of entrants whereas participants wagering on football would be excluded from selecting both competitors in a single football game.

At a predetermined point in the sporting event or events, such as after the sporting event or events are completed, an outcome is generated by calculating an index for each participant. Each index is calculated by summing a statistic generated during the sporting event or events for each of the participant's selections. For example, in an optional embodiment, the statistic may be the margin of victory. Alternatively, the statistic used may be the score. The participants are ordered by index and a predetermined number of participants are awarded prizes. In the event of a tie, the tied participants' selections are compared and one or more selections differentiating the participants' subsets are determined. Tied participants are then ordered according to the statistic for the differentiating selection. In a further optional embodiment, participants rank their selections and tied indexes are resolved by comparing the statistics in the order of the ranked selections. Again, tied participants are then ordered according to the statistic for the differentiating ranked selection. In other words, if two or more participants have the same index, the statistics for the tied participants' ranked selections are compared.

In an optional embodiment, the reward is pari-mutual. That is, in an optional embodiment, the wagers are pooled, a percentage is deducted from the pooled wagers to

be retained by the contest operator, and the remaining pool is divided among the winner or winners.

It is an object of the present invention to provide a method for operating a contest in which participants select a subset from a finite pool of competitors in an event, the winning participant determined by the cumulative performance of the subset during an event.

# Brief Description of the Drawings

FIG. 1 is a flowchart of an embodiment of a method according to the present invention.

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### **Description**

Reference is now made to the figures wherein like parts are referred to by like numerals throughout. It is important to note that the method of the present invention could be utilized in person at a sports book or in a sports pool or could be incorporated into software operating on a general purpose computer, gaming machine, or kiosk operating independently or networked with other general purpose computers, gaming machines, or kiosks. For example, in one optional embodiment, the method of the present invention could be embodied in software based at a server communicating with participants' general purpose computers over the Internet. Similarly, in an alternate optional embodiment, the method could be incorporated into software residing on a plurality of terminals, such as gaming machines, kiosks, or general purpose computers communicating over a network such as a local area network ("LAN") or wide-area network ("WAN").

With reference to FIG. 1, the method of the present invention applies to competition events, optionally sporting events, of the type with a finite number of competitors. For example, the competition event or events could be a tournament, such as golf or tennis, or a set of competitive games, such as the National Collegiate Athletic Association ("NCAA") basketball tournament or the schedule of National Football League ("NFL") games for a given day. It is also contemplated that the competitors in the method of the present invention could be individuals, teams, individual members of teams, or the like. Examples of events having finite numbers of competitors that could be used with the method of the present invention are given in Tables 1 and 2 below.

Table 1

Home Team	Visiting Team
Northwestern	Minnesota
BYU	California
Tennessee	Alabama
Florida State	Florida
UCLA	USC
Texas	Texas A&M
Michigan	Ohio State
Stanford	Oregon

Table 2

Tiger Woods

Phil Mickelson

Greg Norman

Nick Faldo

Jack Nicklaus

John Daly

Nick Price

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The present method could be played as a wagering game, such as at a sports book or in a sports pool. Alternatively, the method could be played as a promotion, contest, or the like in which players are not required to make a wager. While the examples below describe a wagering game, it is contemplated that the present method may not require the placing of a wager or the rewarding of a prize. Therefore, the examples below should be considered exemplary and not restrictive.

David Duval

According to one optional embodiment of the method of the present invention, as shown in FIG. 1, a participant makes a wager 10 and selects a predetermined number (n) of competitors from the finite set 12. In the example of Table 1, on a day with a schedule of eight college football games each participant may be allowed to select five teams as shown in Table 3.

Table 3

Participant 1	Participant 2	Participant 3
Northwestern	Minnesota	Minnesota
California	Alabama	California
Florida	Florida	Tennessee
Texas	Michigan	Florida State
Stanford	Oregon	UCLA

When used in conjunction with an event featuring head to head competitions, the participants may optionally be restricted from selecting teams playing against each other. For example, if a game between Tennessee and Alabama is among the finite set, a participant may be restricted from selecting both Tennessee and Alabama.

Alternatively, when used in conjunction with an event with a tournament-type format such as that shown in Table 2, a participant may be allowed to select a fixed number of competitors from the set of competitors as shown in Table 4.

Table 4

Participant 1	Participant 2	Participant 3
Tiger Woods	Tiger Woods	Tiger Woods
Greg Norman	Phil Mickelson	Phil Mickelson
Nick Faldo	Jack Nicklaus	Greg Norman
Nick Price	John Daly	John Daly
David Duval	David Duval	Nick Price

The participant records the participant's selections. In an optional software embodiment, the recordation may optionally include storing participants' selections in a

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database. In an optional embodiment, the participant may also rank 14 the selections as shown in Tables 5 and 6 for use in an optional tie-breaking procedure described below.

Table 5

Participant 1	Participant 2	Participant 3
1. Texas	1. Alabama	1. Florida State
2. Florida	2. Oregon	2. Minnesota
3. California	3. Florida	3. UCLA
4. Stanford	4. Minnesota	4. California
5. Northwestern	5. Michigan	5. Tennessee

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Table 6

Participant 1	Participant 2	Participant 3
1. Tiger Woods	1. Tiger Woods	1. Greg Norman
2. Nick Price	2. David Duval	2. Tiger Woods
3. Greg Norman	3. Phil Mickelson	3. Phil Mickelson
4. Nick Faldo	4. John Daly	4. Nick Price
5. David Duval	5. Jack Nicklaus	5. John Daly

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With continued reference to FIG. 1, at a predetermined point in the event or events wagered upon, such as completion 16 of the event or events, halftime, or the like, an index (I) is calculated 18 for each participant based on the aggregate performance of all the participant's selections. Thus, the index (I) is calculated using one or more selected statistics  $(s_x)$  generated by a competitor's performance in the event or events. It is contemplated that any statistic or group of statistics  $(s_x)$  generated during the event or events could be used. It is likewise contemplated that individual or team statistics  $(s_x)$ 

could be used. For example, where each participant selects n competitors and the event or events generate a statistic  $(s_x)$  for each of the competitors (n), the index (I) is given by the following formula:

$$I = \sum_{x=1}^{n} s_x$$

In an optional embodiment in which individual players in a team event are the finite pool of competitors, the statistic  $(s_x)$  could be any statistic or any group of statistics  $(s_x)$  maintained in the event or game. In such an example, rather than selecting the competitor who will win, the object may optionally be to select the competitors projected to perform the best without regard to that competitor's team's performance, e.g. top scorers for a particular day's slate of games. In an embodiment in which a group of statistics are used for each competitors, e.g. top scorers/rebounders for a particular day's slate of games, the group of statistics for each competitor could be reduced to a single aggregate statistic  $(s_x)$  for that competitor by summing, weighted summing, or the like before calculating an index (I) for the participant's subset.

In another optional embodment, final score or margin of victory (or loss) may optionally be used as the statistic  $(s_x)$  and the index (I) may be the sum of the final scores or margins of victory or loss. In such an alternate embodiment, the object may be to select the competitors that will win or win by the largest margin, respectively. In the college football example of Tables 1, 3, and 5 above, an index (I) may be calculated using the sum of the margins of victory or loss as shown in Table 7.

Table 7

	Participant 1	Outcome	Margin of Victory or Loss
	1. Texas	Won 31 - 17	+14
	2. Florida	Won 24 - 10	+14
5	3. California	Lost 17 - 26	-9
	4. Stanford	Won 7 - 3	+4
	5. Northwestern	Won 32 - 16	+16
	,	Index:	+39
	Participant 2	Outcome	Margin of Victory or Loss
10	1. Alabama	Won 21 - 7	+14
	2. Oregon	Lost 3 - 7	-4
	3. Florida	Won 24 - 10	+14
	4. Minnesota	Lost 16 - 32	-16
	5. Michigan	Won 38 - 33	+5
15		Index:	+13
	Participant 3	Outcome	Margin of Victory or Loss
	1. Florida State	Lost 10 - 24	-14
20	2. Minnesota	Lost 16 - 32	-16
	3. UCLA	Won 24 - 23	+1
	4. California	Lost 17 - 26	<b>-</b> 9
	5. Tennessee	Lost 7 - 21	-14
		Index:	-52

Similarly, in the example of Tables 2, 4, and 6, the final score is used as the statistic  $(s_x)$  and the index (I) is given by the sum of the final scores as shown in Table 8.

Table 8

Participant 1	Final Score
1. Tiger Woods	-15
2. Nick Price	-7
3. John Daly	+1
4. Nick Faldo	-5
5. David Duval	-8
Index:	-34
Participant 2	
1. Tiger Woods	-15
2. David Duval	-8
3. Phil Mickelson	-6
4. John Daly	+1
5. Jack Nicklaus	+3
Index:	-25
Participant 3	
1. Tiger Woods	-15
2. Greg Norman	-7
3. Phil Mickelson	-6
4. Nick Price	-7
5. John Daly	+1
Index:	-34

As shown in FIG. 1, the participants are ordered 24 by index (I) and a predetermined number of participants are rewarded. It is worth noting that the ordering of participants by index (I) will depend on the type of event and the statistic  $(s_x)$  used to calculate the index (I). Thus, where margin of victory is the statistic  $(s_x)$  used, the

greatest index (I) may be the winner. Similarly, when final score is the statistic  $(s_x)$  used, the greatest index (I) is the winner unless, like golf, better scores are lower, in which case, the lowest index (I) is the winner. Thus, in the example of Table 7, the winner is Participant 1, Participant 2 is second, and Participant 3 is third.

Likewise, in the example of Table 8, Participant 1 and Participant 3 tie for first place, and Participant 2 is second place. When two or more participants tie indexes (*I*) 20, the tie is broken by comparing the tied participant's selections to determine the distinguishing selections. The distinguishing selections are then compared and the tied participants are ordered according to the statistics of the distinguishing selections.

In a further optional embodiment, the participants' ranked selections are serially compared 22 according to rankings until a selection differentiates the tied participants. Thus, in the example of Table 8, the statistics  $(s_x)$  for each participants' first ranked selections are compared. Comparing the statistic for the first selection  $(s_1)$ , the first selections had the same score, -15. Consequently, the statistics second selections  $(s_2)$  are compared. Similarly, because the second selections also had the same score, -7, the statistics for the third selections  $(s_3)$  are compared. In comparing the statistics for the third selections  $(s_3)$ , however, it is noted that Participant 3's third selection scored -6 whereas Participant 1's third selection scored +1. Participant 3 is ranked 24 higher than Participant 1 because Participant 3's third selection generated a better statistic  $(s_3)$  than Participant 1's third selection (recalling that in golf, larger negative scores are desired). Thus, in the optional embodiment utilizing rankings to break ties, it may be appreciated that participants should rank 14 the competitors higher if the participant believes that the competitor will generate the better statistic  $(s_x)$  among the selections. In other words, the participant ranks 14 his best selections higher than his marginal selections.

In an optional embodiment, a predetermined number of participants are rewarded 26. Optionally, only the participant with the best index (*I*) is rewarded. Alternatively, a fixed number of the top participants are selected as winners with a reward going to each of the winners. For example, the participants with the top three indexes (*I*) may each receive a reward.

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In an optional embodiment in which participants wager to participate in the contest, the wagers are optionally pooled. In such an optional embodiment, the operator of the present method may optionally take a percentage of the pooled wagers and divide the remaining pool among the winning participants. As an example, the operator could take fifteen percent of the pooled wagers. The operator could then divide the remainder of the pooled wagers as follows: forty percent to first place participant, thirty percent to the second place participant, twenty percent to the third place participant, and ten percent to the fourth place participant.

While certain embodiments of the present invention have been shown and described it is to be understood that the present invention is subject to many modifications and changes without departing from the spirit and scope of the claims presented herein.